

HOUSE BILL No. 1116

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-20; IC 20-46.

Synopsis: Referendum process and remonstrance process. Amends the thresholds applicable to the petition and remonstrance process and the referendum process as follows: (1) Specifies that a project is a controlled project for purposes of the law governing those processes if the project will cost more than the lesser of: (A) \$10,000,000; or (B) the sum of 1% of the first \$100,000,000 of the gross assessed value of property within the political subdivision plus 0.5% of the total amount of that part of the gross assessed value that exceeds \$100,000,000. (2) Specifies that voters or property owners may initiate the petition and remonstrance process if the project is a controlled project but the project will not cost more than the lesser of \$20,000,000 or 1% of the gross assessed value of property within the political subdivision. (3) Specifies that voters or property owners may initiate the referendum process if the project is a controlled project and the project will cost more than the lesser of \$20,000,000 or 1% of the gross assessed value of property within the political subdivision. Requires a political subdivision's notice of the preliminary determination to issue bonds or enter into a lease for a controlled project to include also information concerning the estimated amount of the political subdivision's debt service levy and rate that will result during the following 10 years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate. Provides that a petition requesting the application of a petition and remonstrance process or the referendum process (as applicable) must be signed by the lesser of: (1)

(Continued next page)

Effective: July 1, 2016.

Thompson

January 7, 2016, read first time and referred to Committee on Ways and Means.



500 persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision (rather than 100 persons, under current law); or (2) the sum of 5% of the first 5,000 registered voters residing within the political subdivision, plus 2.5% of the number (if any) of the registered voters residing within the political subdivision that exceeds the first 5,000 registered voters (rather than 5% of such registered voters, under current law). Specifies additional information concerning debt service tax rates that must be included in the ballot language for a capital projects referendum. Relocates existing law concerning calculation of the cost of certain projects by a school corporation career and technical education school to a separate section within the controlled projects statute. Requires a political subdivision to: (1) conduct at least two public hearings on a preliminary determination concerning a controlled project (rather than one hearing, under current law); and (2) make certain information available to the public at each of the public hearings. Provides that if a referendum for a controlled project or for a school referendum levy is defeated, another referendum may not be held earlier than 700 days after the date of the first referendum (rather than 350 days, under current law). Specifies that the 350 day limit applies if a sufficient petition requesting that limit is submitted by property owners or voters.



Introduced

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1116

A BILL FOR AN ACT to amend the Indiana Code concerning
taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-1.1-20-1.1, AS AMENDED BY P.L.233-2015,
2 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 1.1. As used in this chapter, "controlled project"
4 means any project financed by bonds or a lease, except for the
5 following:
6 (1) A project for which the political subdivision reasonably
7 expects to pay:
8 (A) debt service; or
9 (B) lease rentals;
10 from funds other than property taxes that are exempt from the
11 levy limitations of IC 6-1.1-18.5 or (before January 1, 2009)
12 IC 20-45-3. A project is not a controlled project even though the
13 political subdivision has pledged to levy property taxes to pay the
14 debt service or lease rentals if those other funds are insufficient.
15 (2) A project:



(A) for which the proper officers of the political subdivision adopt before July 1, 2016, an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for the project; and

(B) that will not cost the political subdivision more than the lesser of the following:

~~(A)~~ (i) Two million dollars (\$2,000,000).

~~(B)~~ (ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that amount is at least one million dollars (\$1,000,000).

For purposes of this chapter, the cost of a project by a school corporation career and technical education school described in IC 20-37-1-1 that is funded through an advance from the common school fund under IC 20-49 shall be allocated among the organizing school corporations in the same manner as the advance is allocated under IC 20-49-4.

(3) A project:

(A) for which the proper officers of the political subdivision adopt after June 30, 2016, an ordinance or resolution making a preliminary determination to issue bonds or enter into a lease for the project; and

(B) that will not cost the political subdivision more than the lesser of the following:

(i) Ten million dollars (\$10,000,000).

(ii) An amount equal to the sum of one percent (1%) of the first one hundred million dollars (\$100,000,000) of gross assessed value of property within the political subdivision on the last assessment date, plus five-tenths of one percent (0.5%) of the total amount of that part (if any) of the gross assessed value of property within the political subdivision on the last assessment date that exceeds one hundred million dollars (\$100,000,000).

~~(3)~~ (4) A project that is being refinanced for the purpose of providing gross or net present value savings to taxpayers.

~~(4)~~ (5) A project for which bonds were issued or leases were entered into before January 1, 1996, or where the state board of tax commissioners has approved the issuance of bonds or the execution of leases before January 1, 1996.

~~(5)~~ (6) A project that is required by a court order holding that a federal law mandates the project.

~~(6)~~ (7) A project that is in response to:



- 1 (A) a natural disaster;
- 2 (B) an accident; or
- 3 (C) an emergency;
- 4 in the political subdivision that makes a building or facility
- 5 unavailable for its intended use.
- 6 ~~(7)~~ **(8)** A project that was not a controlled project under this
- 7 section as in effect on June 30, 2008, and for which:
- 8 (A) the bonds or lease for the project were issued or entered
- 9 into before July 1, 2008; or
- 10 (B) the issuance of the bonds or the execution of the lease for
- 11 the project was approved by the department of local
- 12 government finance before July 1, 2008.
- 13 ~~(8)~~ **(9)** A project of the Little Calumet River basin development
- 14 commission for which bonds are payable from special
- 15 assessments collected under IC 14-13-2-18.6.
- 16 SECTION 2. IC 6-1.1-20-2.5 IS ADDED TO THE INDIANA
- 17 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 18 [EFFECTIVE JULY 1, 2016]: **Sec. 2.5. For purposes of this chapter,**
- 19 **the cost of a project by a school corporation career and technical**
- 20 **education school described in IC 20-37-1-1 that is funded through**
- 21 **an advance from the common school fund under IC 20-49 shall be**
- 22 **allocated among the organizing school corporations in the same**
- 23 **manner as the advance is allocated under IC 20-49-4.**
- 24 SECTION 3. IC 6-1.1-20-3.1, AS AMENDED BY P.L.203-2015,
- 25 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 26 JULY 1, 2016]: Sec. 3.1. (a) This section applies only to the following:
- 27 (1) A controlled project (as defined in section 1.1 of this chapter
- 28 as in effect June 30, 2008) for which the proper officers of a
- 29 political subdivision make a preliminary determination in the
- 30 manner described in subsection (b) before July 1, 2008.
- 31 (2) An elementary school building, middle school building, high
- 32 school building, or other school building for academic instruction
- 33 that:
- 34 (A) is a controlled project **for which the proper officers of**
- 35 **the political subdivision adopt an ordinance or resolution**
- 36 **before July 1, 2016, making a preliminary determination**
- 37 **to issue bonds or enter into a lease for the controlled**
- 38 **project;**
- 39 (B) will be used for any combination of kindergarten through
- 40 grade 12; and
- 41 (C) will not cost more than ten million dollars (\$10,000,000).
- 42 (3) Any other controlled project **for which the proper officers of**



the political subdivision adopt an ordinance or resolution before July 1, 2016, making a preliminary determination to issue bonds or enter into a lease for the controlled project and that:

(A) is not a controlled project described in subdivision (1) or (2); and

(B) will not cost the political subdivision more than the lesser of the following:

(i) Twelve million dollars (\$12,000,000).

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date, if that amount is at least one million dollars (\$1,000,000).

(4) A controlled project:

(A) for which the proper officers of the political subdivision adopt an ordinance or resolution after June 30, 2016, making a preliminary determination to issue bonds or enter into a lease for the controlled project; and

(B) that will not cost the political subdivision more than the lesser of the following:

(i) Twenty million dollars (\$20,000,000).

(ii) An amount equal to one percent (1%) of the total gross assessed value of property within the political subdivision on the last assessment date.

(b) A political subdivision may not impose property taxes to pay debt service on bonds or lease rentals on a lease for a controlled project without completing the following procedures:

(1) The proper officers of a political subdivision shall

~~(A)~~ publish notice in accordance with IC 5-3-1 and

~~(B)~~ send notice by first class mail to the circuit court clerk and to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices

of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct ~~a~~ **at least two (2)** public ~~hearing~~ **hearings** on a preliminary determination before adoption of the resolution or ordinance. **The political subdivision must at each of the public hearings on the preliminary determination allow the public to testify regarding the preliminary determination and must make the following information available to the public at each of the public hearings on the preliminary determination, in addition to any other**



information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(H).

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease for a controlled project, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision ~~(1)(B)~~: (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease for a controlled project must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that any owners of property within the political subdivision or registered voters residing within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least



three (3) years and that is being reopened to provide additional classroom space; the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal for a new facility adjustment (as defined in IC 20-45-1-16 (repealed) before January 1, 2009) for an increased maximum permissible tuition support levy to pay the estimated costs described in clause (F).

(H) The following information:

(i) The political subdivision's current debt service levy and rate. ~~and~~

(ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(I) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the ~~lesser of~~ following:

(A) In the case of a controlled project for which the proper officers of the political subdivision adopt an ordinance or resolution before July 1, 2016, making a preliminary determination to issue bonds or enter into a lease for the controlled project, the lesser of:

~~(A)~~ **(i)** one hundred (100) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

~~(B)~~ **(ii)** five percent (5%) of the registered voters residing within the political subdivision.

(B) In the case of a controlled project for which the proper officers of the political subdivision adopt an ordinance or resolution after June 30, 2016, making a preliminary determination to issue bonds or enter into a lease for the



controlled project, the lesser of:

(i) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or

(ii) the sum of five percent (5%) of the first five thousand (5,000) registered voters residing within the political subdivision, plus two and five-tenths percent (2.5%) of the number (if any) of the registered voters residing within the political subdivision that exceeds the first five thousand (5,000) registered voters.

(5) The state board of accounts shall design and, upon request by the county voter registration office, deliver to the county voter registration office or the county voter registration office's designated printer the petition forms to be used solely in the petition process described in this section. The county voter registration office shall issue to an owner or owners of property within the political subdivision or a registered voter residing within the political subdivision the number of petition forms requested by the owner or owners or the registered voter. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of property or registered voters;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may be required to identify themselves as owners of property or registered voters and may be allowed to pick up additional copies to distribute to other owners of property or registered voters. Each person signing a petition must indicate whether the person is signing the petition as a registered voter within the political subdivision or is signing the petition as the owner of property within the political subdivision. A person who signs a petition as a registered voter must indicate the address at which the person is registered to vote. A person who signs a petition as an owner of property must indicate the address of the property owned by the person in the political subdivision.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county voter



1 registration office under subdivision (7).

2 (7) Each petition must be filed with the county voter registration
3 office not more than thirty (30) days after publication under
4 subdivision (2) of the notice of the preliminary determination.

5 (8) The county voter registration office shall determine whether
6 each person who signed the petition is a registered voter.

7 **However, after the county voter registration office has**
8 **determined that at least one hundred twenty-five (125)**
9 **persons who signed the petition are registered voters within**
10 **the political subdivision (in the case of a controlled project**
11 **described in subsection (a)(2) or (a)(3)) or that the number of**
12 **individuals who signed the petition and are registered voters**
13 **within the political subdivision is at least twenty-five (25)**
14 **more than the number required under subdivision (4)(B) (in**
15 **the case of a controlled project described in subsection (a)(4)),**
16 **the county voter registration office is not required to verify**
17 **whether the remaining persons who signed the petition are**
18 **registered voters. If the county voter registration office does**
19 **not determine that at least one hundred twenty-five (125)**
20 **persons who signed the petition are registered voters within**
21 **the political subdivision (in the case of a controlled project**
22 **described in subsection (a)(2) or (a)(3)) or that the number of**
23 **individuals who signed the petition and are registered voters**
24 **within the political subdivision is at least twenty-five (25)**
25 **more than the number required under subdivision (4)(B) (in**
26 **the case of a controlled project described in subsection (a)(4)),**
27 the county voter registration office shall, not more than fifteen
28 (15) business days after receiving a petition, forward a copy of the
29 petition to the county auditor. Not more than ten (10) business
30 days after receiving the copy of the petition, the county auditor
31 shall provide to the county voter registration office a statement
32 verifying:

33 (A) whether a person who signed the petition as a registered
34 voter but is not a registered voter, as determined by the county
35 voter registration office, is the owner of property in the
36 political subdivision; and

37 (B) whether a person who signed the petition as an owner of
38 property within the political subdivision does in fact own
39 property within the political subdivision.

40 (9) The county voter registration office, ~~shall~~, not more than ten
41 (10) business days after:

42 (A) **determining that at least one hundred twenty-five (125)**



1 persons who signed the petition are registered voters
2 within the political subdivision (in the case of a controlled
3 project described in subsection (a)(2) or (a)(3)) or that the
4 number of individuals who signed the petition and are
5 registered voters within the political subdivision is at least
6 twenty-five (25) more than the number required under
7 subdivision (4)(B) (in the case of a controlled project
8 described in subsection (a)(4)); or

9 (B) receiving the statement from the county auditor under
10 subdivision (8);

11 as applicable, shall make the final determination of the number
12 of petitioners that are registered voters in the political subdivision
13 and, based on the statement provided by the county auditor, the
14 number of petitioners that own property within the political
15 subdivision. Whenever the name of an individual who signs a
16 petition form as a registered voter contains a minor variation from
17 the name of the registered voter as set forth in the records of the
18 county voter registration office, the signature is presumed to be
19 valid, and there is a presumption that the individual is entitled to
20 sign the petition under this section. Except as otherwise provided
21 in this chapter, in determining whether an individual is a
22 registered voter, the county voter registration office shall apply
23 the requirements and procedures used under IC 3 to determine
24 whether a person is a registered voter for purposes of voting in an
25 election governed by IC 3. However, an individual is not required
26 to comply with the provisions concerning providing proof of
27 identification to be considered a registered voter for purposes of
28 this chapter. A person is entitled to sign a petition only one (1)
29 time in a particular petition and remonstrance process under this
30 chapter, regardless of whether the person owns more than one (1)
31 parcel of real property, mobile home assessed as personal
32 property, or manufactured home assessed as personal property, or
33 a combination of those types of property within the subdivision
34 and regardless of whether the person is both a registered voter in
35 the political subdivision and the owner of property within the
36 political subdivision. Notwithstanding any other provision of this
37 section, if a petition is presented to the county voter registration
38 office within forty-five (45) days before an election, the county
39 voter registration office may defer acting on the petition, and the
40 time requirements under this section for action by the county
41 voter registration office do not begin to run until five (5) days
42 after the date of the election.



(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within thirty-five (35) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of property within the political subdivision and the number of petitioners who are registered voters residing within the political subdivision.

If a sufficient petition requesting a petition and remonstrance process is not filed by owners of property or registered voters as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

(c) This subsection applies only to a political subdivision that, after April 30, 2011, adopts an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease subject to this section and section 3.2 of this chapter. A political subdivision may not artificially divide a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.2 of this chapter. A person that owns property within a political subdivision or a person that is a registered voter residing within a political subdivision may file a petition with the department of local government finance objecting that the political subdivision has artificially divided a capital project into multiple capital projects in order to avoid the requirements of this section and section 3.2 of this chapter. The petition must be filed not more than ten (10) days after the political subdivision makes the preliminary determination to issue the bonds or enter into the lease for the project. If the department of local government finance receives a petition under this subsection, the department shall not later than thirty (30) days after receiving the petition make a final determination on the issue of whether the capital projects were artificially divided.

SECTION 4. IC 6-1.1-20-3.5, AS AMENDED BY P.L.218-2013, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.5. (a) This section applies only to a ~~controlled project that meets the following conditions:~~ **controlled projects:**

(1) ~~The A~~ controlled project ~~that~~ is described in one (1) of the



1 following categories **and for which the proper officers of the**
 2 **political subdivision adopt an ordinance or resolution after**
 3 **June 30, 2008, and before July 1, 2016, making a preliminary**
 4 **determination in the manner described in subsection (b) to**
 5 **issue bonds or enter into a lease for the controlled project:**

6 (A) An elementary school building, middle school building,
 7 high school building, or other school building for academic
 8 instruction that:

9 (i) will be used for any combination of kindergarten through
 10 grade 12; and

11 (ii) will cost more than ten million dollars (\$10,000,000).

12 (B) Any other controlled project that:

13 (i) is not a controlled project described in clause (A); and

14 (ii) will cost the political subdivision more than the lesser of
 15 twelve million dollars (\$12,000,000) or an amount equal to
 16 one percent (1%) of the total gross assessed value of
 17 property within the political subdivision on the last
 18 assessment date (if that amount is at least one million dollars
 19 (\$1,000,000)).

20 ~~(2) The proper officers of the political subdivision make a~~
 21 ~~preliminary determination after June 30, 2008, in the manner~~
 22 ~~described in subsection (b) to issue bonds or enter into a lease for~~
 23 ~~the controlled project.~~

24 **(2) A controlled project that meets the following conditions:**

25 **(A) The controlled project will cost the political**
 26 **subdivision more than the lesser of the following:**

27 **(i) Twenty million dollars (\$20,000,000).**

28 **(ii) An amount equal to one percent (1%) of the total**
 29 **gross assessed value of property within the political**
 30 **subdivision on the last assessment date.**

31 **(B) The proper officers of the political subdivision adopt**
 32 **an ordinance or resolution after June 30, 2016, making a**
 33 **preliminary determination in the manner described in**
 34 **subsection (b) to issue bonds or enter into a lease for the**
 35 **controlled project.**

36 (b) A political subdivision may not impose property taxes to pay
 37 debt service on bonds or lease rentals on a lease for a controlled project
 38 without completing the following procedures:

39 (1) The proper officers of a political subdivision shall publish
 40 notice in accordance with IC 5-3-1 and send notice by first class
 41 mail to the circuit court clerk and to any organization that delivers
 42 to the officers, before January 1 of that year, an annual written



request for notices of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct ~~a~~ **at least two (2) public hearing hearings** on the preliminary determination before adoption of the ordinance or resolution. The political subdivision must **at each of the public hearings on the preliminary determination allow the public to testify regarding the preliminary determination and must** make the following information available to the public at **each of the public hearing hearings** on the preliminary determination, in addition to any other information required by law:

(A) The result of the political subdivision's current and projected annual debt service payments divided by the net assessed value of taxable property within the political subdivision.

(B) The result of:

(i) the sum of the political subdivision's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the political subdivision; divided by

(ii) the net assessed value of taxable property within the political subdivision.

(C) The information specified in subdivision (3)(A) through (3)(G).

(2) If the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the circuit court clerk and to the organizations described in subdivision (1).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease payments must be approved in an election on a local public question held under section 3.6 of this chapter.



(F) With respect to bonds issued or a lease entered into to open:

- (i) a new school facility; or
- (ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) The following information:

(i) The political subdivision's current debt service levy and rate. ~~and~~

(ii) The estimated increase to the political subdivision's debt service levy and rate that will result if the political subdivision issues the bonds or enters into the lease.

(iii) The estimated amount of the political subdivision's debt service levy and rate that will result during the following ten (10) years if the political subdivision issues the bonds or enters into the lease, after also considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligations that will mature or terminate during that period.

(H) The information specified in subdivision (1)(A) through (1)(B).

(4) After notice is given, a petition requesting the application of the local public question process under section 3.6 of this chapter may be filed by the ~~lesser of~~ **following:**

(A) In the case of a controlled project for which the proper officers of the political subdivision adopt an ordinance or resolution before July 1, 2016, making a preliminary determination to issue bonds or enter into a lease for the controlled project, the lesser of:

- ~~(A)~~ **(i)** one hundred (100) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or
- ~~(B)~~ **(ii)** five percent (5%) of the registered voters residing within the political subdivision.

(B) In the case of a controlled project for which the proper officers of the political subdivision adopt an ordinance or resolution after June 30, 2016, making a preliminary determination to issue bonds or enter into a lease for the controlled project, the lesser of:



1 **(i) five hundred (500) persons who are either owners of**
 2 **property within the political subdivision or registered**
 3 **voters residing within the political subdivision; or**
 4 **(ii) the sum of five percent (5%) of the first five thousand**
 5 **(5,000) registered voters residing within the political**
 6 **subdivision, plus two and five-tenths percent (2.5%) of**
 7 **the number (if any) of the registered voters residing**
 8 **within the political subdivision that exceeds the first five**
 9 **thousand (5,000) registered voters.**

10 (5) The state board of accounts shall design and, upon request by
 11 the county voter registration office, deliver to the county voter
 12 registration office or the county voter registration office's
 13 designated printer the petition forms to be used solely in the
 14 petition process described in this section. The county voter
 15 registration office shall issue to an owner or owners of property
 16 within the political subdivision or a registered voter residing
 17 within the political subdivision the number of petition forms
 18 requested by the owner or owners or the registered voter. Each
 19 form must be accompanied by instructions detailing the
 20 requirements that:

- 21 (A) the carrier and signers must be owners of property or
- 22 registered voters;
- 23 (B) the carrier must be a signatory on at least one (1) petition;
- 24 (C) after the signatures have been collected, the carrier must
- 25 swear or affirm before a notary public that the carrier
- 26 witnessed each signature; and
- 27 (D) govern the closing date for the petition period.

28 Persons requesting forms may be required to identify themselves
 29 as owners of property or registered voters and may be allowed to
 30 pick up additional copies to distribute to other owners of property
 31 or registered voters. Each person signing a petition must indicate
 32 whether the person is signing the petition as a registered voter
 33 within the political subdivision or is signing the petition as the
 34 owner of property within the political subdivision. A person who
 35 signs a petition as a registered voter must indicate the address at
 36 which the person is registered to vote. A person who signs a
 37 petition as an owner of property must indicate the address of the
 38 property owned by the person in the political subdivision.

39 (6) Each petition must be verified under oath by at least one (1)
 40 qualified petitioner in a manner prescribed by the state board of
 41 accounts before the petition is filed with the county voter
 42 registration office under subdivision (7).



(7) Each petition must be filed with the county voter registration office not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county voter registration office shall determine whether each person who signed the petition is a registered voter. However, after the county voter registration office has determined that at least one hundred twenty-five (125) persons who signed the petition are registered voters within the political subdivision **(in the case of a controlled project described in subsection (a)(1)) or that the number of individuals who signed the petition and are registered voters within the political subdivision is at least twenty-five (25) more than the number required under subdivision (4)(B) (in the case of a controlled project described in subsection (a)(2))**, the county voter registration office is not required to verify whether the remaining persons who signed the petition are registered voters. If the county voter registration office does not determine that at least one hundred twenty-five (125) persons who signed the petition are registered voters **within the political subdivision (in the case of a controlled project described in subsection (a)(1)) or that the number of individuals who signed the petition and are registered voters within the political subdivision is at least twenty-five (25) more than the number required under subdivision (4)(B) (in the case of a controlled project described in subsection (a)(2))**, the county voter registration office, not more than fifteen (15) business days after receiving a petition, shall forward a copy of the petition to the county auditor. Not more than ten (10) business days after receiving the copy of the petition, the county auditor shall provide to the county voter registration office a statement verifying:

(A) whether a person who signed the petition as a registered voter but is not a registered voter, as determined by the county voter registration office, is the owner of property in the political subdivision; and

(B) whether a person who signed the petition as an owner of property within the political subdivision does in fact own property within the political subdivision.

(9) The county voter registration office, not more than ten (10) business days after:

(A) determining that at least one hundred twenty-five (125) persons who signed the petition are registered voters within the political subdivision (in the case of a controlled project



described in subsection (a)(1)) or that the number of individuals who signed the petition and are registered voters within the political subdivision is at least twenty-five (25) more than the number required under subdivision (4)(B) (in the case of a controlled project described in subsection (a)(2)); or

(B) after receiving the statement from the county auditor under subdivision (8);

as applicable, shall make the final determination of whether a sufficient number of persons have signed the petition. Whenever the name of an individual who signs a petition form as a registered voter contains a minor variation from the name of the registered voter as set forth in the records of the county voter registration office, the signature is presumed to be valid, and there is a presumption that the individual is entitled to sign the petition under this section. Except as otherwise provided in this chapter, in determining whether an individual is a registered voter, the county voter registration office shall apply the requirements and procedures used under IC 3 to determine whether a person is a registered voter for purposes of voting in an election governed by IC 3. However, an individual is not required to comply with the provisions concerning providing proof of identification to be considered a registered voter for purposes of this chapter. A person is entitled to sign a petition only one (1) time in a particular referendum process under this chapter, regardless of whether the person owns more than one (1) parcel of real property, mobile home assessed as personal property, or manufactured home assessed as personal property or a combination of those types of property within the political subdivision and regardless of whether the person is both a registered voter in the political subdivision and the owner of property within the political subdivision. Notwithstanding any other provision of this section, if a petition is presented to the county voter registration office within forty-five (45) days before an election, the county voter registration office may defer acting on the petition, and the time requirements under this section for action by the county voter registration office do not begin to run until five (5) days after the date of the election.

(10) The county voter registration office must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the



1 township board; or
 2 (B) the body that has the authority to authorize the issuance of
 3 the bonds or the execution of a lease, if the political
 4 subdivision is not a township;
 5 within thirty-five (35) business days of the filing of the petition
 6 requesting the referendum process. The certificate must state the
 7 number of petitioners who are owners of property within the
 8 political subdivision and the number of petitioners who are
 9 registered voters residing within the political subdivision.
 10 (11) If a sufficient petition requesting the local public question
 11 process is not filed by owners of property or registered voters as
 12 set forth in this section, the political subdivision may issue bonds
 13 or enter into a lease by following the provisions of law relating to
 14 the bonds to be issued or lease to be entered into.
 15 (c) If the proper officers of a political subdivision make a
 16 preliminary determination to issue bonds or enter into a lease, the
 17 officers shall provide to the county auditor:
 18 (1) a copy of the notice required by subsection (b)(2); and
 19 (2) any other information the county auditor requires to fulfill the
 20 county auditor's duties under section 3.6 of this chapter.
 21 SECTION 5. IC 6-1.1-20-3.6, AS AMENDED BY THE
 22 TECHNICAL CORRECTIONS BILL OF THE 2016 GENERAL
 23 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2016]: Sec. 3.6. (a) Except as provided in sections 3.7 and 3.8
 25 of this chapter, this section applies only to a controlled project
 26 described in section 3.5(a) of this chapter.
 27 (b) If a sufficient petition requesting the application of the local
 28 public question process has been filed as set forth in section 3.5 of this
 29 chapter, a political subdivision may not impose property taxes to pay
 30 debt service on bonds or lease rentals on a lease for a controlled project
 31 unless the political subdivision's proposed debt service or lease rental
 32 is approved in an election on a local public question held under this
 33 section.
 34 (c) Except as provided in subsection (k), the following question
 35 shall be submitted to the eligible voters at the election conducted under
 36 this section:
 37 "Shall _____ (insert the name of the political subdivision)
 38 issue bonds or enter into a lease to finance _____ (insert
 39 a brief description of the controlled project), which is estimated
 40 to cost not more than _____ (insert the total cost of the project)
 41 and is estimated to increase the property tax rate for debt service
 42 by _____ (insert increase in tax rate as determined by the



department of local government finance), **and which (after also considering changes that will occur on account of any outstanding bonds or lease obligations that will mature or terminate) is estimated to result in a property tax rate for debt service of the following for the next ten (10) years:**

(1) First year _____.

(2) Second year _____.

(3) Third year _____.

(4) Fourth year _____.

(5) Fifth year _____.

(6) Sixth year _____.

(7) Seventh year _____.

(8) Eighth year _____.

(9) Ninth year _____.

(10) Tenth year _____.

(insert the estimated tax rate for debt service for the next ten (10) years, as estimated by the political subdivision)?".

The public question must appear on the ballot in the form approved by the county election board. If the political subdivision proposing to issue bonds or enter into a lease is located in more than one (1) county, the county election board of each county shall jointly approve the form of the public question that will appear on the ballot in each county. The form approved by the county election board may differ from the language certified to the county election board by the county auditor. If the county election board approves the language of a public question under this subsection, the county election board shall submit the language to the department of local government finance for review.

(d) The department of local government finance shall review the language of the public question to evaluate whether the description of the controlled project is accurate and is not biased against either a vote in favor of the controlled project or a vote against the controlled project. The department of local government finance may either approve the ballot language as submitted or recommend that the ballot language be modified as necessary to ensure that the description of the controlled project is accurate and is not biased. The department of local government finance shall certify its approval or recommendations to the county auditor and the county election board not more than ten (10) days after the language of the public question is submitted to the department for review. If the department of local government finance recommends a modification to the ballot language, the county election board shall, after reviewing the recommendations of the department of local government finance, submit modified ballot language to the



department for the department's approval or recommendation of any additional modifications. The public question may not be certified by the county auditor under subsection (e) unless the department of local government finance has first certified the department's final approval of the ballot language for the public question.

(e) The county auditor shall certify the finally approved public question under IC 3-10-9-3 to the county election board of each county in which the political subdivision is located. The certification must occur not later than noon:

(1) seventy-four (74) days before a primary election if the public question is to be placed on the primary or municipal primary election ballot; or

(2) August 1 if the public question is to be placed on the general or municipal election ballot.

Subject to the certification requirements and deadlines under this subsection and except as provided in subsection (k), the public question shall be placed on the ballot at the next primary election, general election, or municipal election in which all voters of the political subdivision are entitled to vote. However, if a primary election, general election, or municipal election will not be held during the first year in which the public question is eligible to be placed on the ballot under this section and if the political subdivision requests the public question to be placed on the ballot at a special election, the public question shall be placed on the ballot at a special election to be held on the first Tuesday after the first Monday in May or November of the year. The certification must occur not later than noon seventy-four (74) days before a special election to be held in May (if the special election is to be held in May) or noon on August 1 (if the special election is to be held in November). The fiscal body of the political subdivision that requests the special election shall pay the costs of holding the special election. The county election board shall give notice under IC 5-3-1 of a special election conducted under this subsection. A special election conducted under this subsection is under the direction of the county election board. The county election board shall take all steps necessary to carry out the special election.

(f) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(g) Subject to the requirements of IC 6-1.1-18.5-8, the political subdivision may issue the proposed bonds or enter into the proposed



1 lease rental if a majority of the eligible voters voting on the public
2 question vote in favor of the public question.

3 (h) If a majority of the eligible voters voting on the public question
4 vote in opposition to the public question, both of the following apply:

5 (1) The political subdivision may not issue the proposed bonds or
6 enter into the proposed lease rental.

7 (2) Another public question under this section on the same or a
8 substantially similar project may not be submitted to the voters
9 earlier than:

10 **(A) except as provided in clause (B), seven hundred (700)**
11 **days after the date of the public question; or**

12 **(B) three hundred fifty (350) days after the date of the election,**
13 **if a petition that meets the requirements of subsection (m)**
14 **is submitted to the county auditor.**

15 (i) IC 3, to the extent not inconsistent with this section, applies to an
16 election held under this section.

17 (j) A political subdivision may not artificially divide a capital
18 project into multiple capital projects in order to avoid the requirements
19 of this section and section 3.5 of this chapter. A person that owns
20 property within a political subdivision or a person that is a registered
21 voter residing within a political subdivision may file a petition with the
22 department of local government finance objecting that the political
23 subdivision has artificially divided a capital project into multiple
24 capital projects in order to avoid the requirements of this section and
25 section 3.5 of this chapter. The petition must be filed not more than ten
26 (10) days after the political subdivision makes the preliminary
27 determination to issue the bonds or enter into the lease for the project.
28 If the department of local government finance receives a petition under
29 this subsection, the department shall not later than thirty (30) days after
30 receiving the petition make a final determination on the issue of
31 whether the capital projects were artificially divided.

32 (k) This subsection applies to a political subdivision for which a
33 petition requesting a public question has been submitted under section
34 3.5 of this chapter. The legislative body (as defined in IC 36-1-2-9) of
35 the political subdivision may adopt a resolution to withdraw a
36 controlled project from consideration in a public question. If the
37 legislative body provides a certified copy of the resolution to the county
38 auditor and the county election board not later than sixty-three (63)
39 days before the election at which the public question would be on the
40 ballot, the public question on the controlled project shall not be placed
41 on the ballot and the public question on the controlled project shall not
42 be held, regardless of whether the county auditor has certified the



public question to the county election board. If the withdrawal of a public question under this subsection requires the county election board to reprint ballots, the political subdivision withdrawing the public question shall pay the costs of reprinting the ballots. If a political subdivision withdraws a public question under this subsection that would have been held at a special election and the county election board has printed the ballots before the legislative body of the political subdivision provides a certified copy of the withdrawal resolution to the county auditor and the county election board, the political subdivision withdrawing the public question shall pay the costs incurred by the county in printing the ballots. If a public question on a controlled project is withdrawn under this subsection, a public question under this section on the same controlled project or a substantially similar controlled project may not be submitted to the voters earlier than three hundred fifty (350) days after the date the resolution withdrawing the public question is adopted.

(l) If a public question regarding a controlled project is placed on the ballot to be voted on at ~~a public question~~ **an election** under this section, the political subdivision shall submit to the department of local government finance, at least thirty (30) days before the election, the following information regarding the proposed controlled project for posting on the department's Internet web site:

- (1) The cost per square foot of any buildings being constructed as part of the controlled project.
- (2) The effect that approval of the controlled project would have on the political subdivision's property tax rate.
- (3) The maximum term of the bonds or lease.
- (4) The maximum principal amount of the bonds or the maximum lease rental for the lease.
- (5) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.
- (6) The purpose of the bonds or lease.
- (7) In the case of a controlled project proposed by a school corporation:
 - (A) the current and proposed square footage of school building space per student;
 - (B) enrollment patterns within the school corporation; and
 - (C) the age and condition of the current school facilities.

(m) If a majority of the eligible voters voting on the public question vote in opposition to the public question, a petition may be submitted to the county auditor to request that the limit under subsection (h)(2)(B) apply to the holding of a subsequent public



question by the political subdivision. If such a petition is submitted to the county auditor and is signed by the lesser of:

- (1) five hundred (500) persons who are either owners of property within the political subdivision or registered voters residing within the political subdivision; or
- (2) the sum of five percent (5%) of the first five thousand (5,000) registered voters residing within the political subdivision, plus two and five-tenths percent (2.5%) of the number (if any) of the registered voters residing within the political subdivision that exceeds the first five thousand (5,000) registered voters;

the limit under subsection (h)(2)(B) applies to the holding of a second public question by the political subdivision and the limit under subsection (h)(2)(A) does not apply to the holding of a second public question by the political subdivision.

SECTION 6. IC 6-1.1-20-3.7, AS ADDED BY P.L.182-2009(ss), SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.7. (a) This section applies to the following:

- (1) The issuance of bonds or the entering into a lease for a controlled project:
 - (A) to which section 3.5 of this chapter applies; and
 - (B) for which a sufficient petition requesting the application of the local public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter within the time required under section 3.5(b)(7) of this chapter.
- (2) The issuance of bonds or the entering into a lease for a capital project:
 - (A) that is not a controlled project to which section 3.5 of this chapter applies; and
 - (B) that would, but for the application of section ~~1.1(6)~~ **1.1(7)** of this chapter to the project, be a controlled project to which section 3.5 of this chapter applies.

(b) If the proper officers of a political subdivision make a preliminary determination to issue bonds described in subsection (a) or enter into a lease described in subsection (a), the fiscal body of the political subdivision may adopt a resolution specifying that the local public question process specified in section 3.6 of this chapter applies to the issuance of the bonds or the entering into the lease, notwithstanding that:

- (1) a sufficient petition requesting the application of the local



public question process under section 3.6 of this chapter has not been filed as set forth in section 3.5 of this chapter (in the case of bonds or a lease described in subsection (a)(1)); or (2) because of the application of section ~~1.1(6)~~ **1.1(7)** of this chapter, the bonds or lease is not considered to be issued or entered into for a controlled project (in the case of bonds or a lease described in subsection (a)(2)).

(c) The following apply to the adoption of a resolution by the fiscal body of a political subdivision under subsection (b):

(1) In the case of bonds or a lease described in subsection (a)(1) and for which no petition requesting the application of the local public question process under section 3.6 of this chapter has been filed within the time required under section 3.5(b)(7) of this chapter, the fiscal body must adopt the resolution not more than sixty (60) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(2) In the case of bonds or a lease described in subsection (a)(1) for which a petition requesting the application of the local public question process under section 3.6 of this chapter:

(A) has been filed under section 3.5 of this chapter; and

(B) is determined to have an insufficient number of signatures to require application of the local public question process under section 3.6 of this chapter;

the fiscal body must adopt the resolution not more than thirty (30) days after the county voter registration office makes the final determination under section 3.5 of this chapter that a sufficient number of persons have not signed the petition.

(3) In the case of bonds or a lease described in subsection (a)(2), the fiscal body must adopt the resolution not more than thirty (30) days after publication of the notice of the preliminary determination to issue the bonds or enter into the lease.

(4) The fiscal body shall certify the resolution to the county election board of each county in which the political subdivision is located, and the county election board shall place the public question on the ballot as provided in section 3.6 of this chapter.

(d) Except to the extent it is inconsistent with this section, section 3.6 of this chapter applies to a local public question placed on the ballot under this section.

SECTION 7. IC 20-46-1-19, AS AMENDED BY P.L.155-2014, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 19. **(a)** If a majority of the persons who voted in the referendum did not vote "yes" on the referendum question:



(1) the school corporation may not make any levy for its referendum tax levy fund; and

(2) another referendum under this section may not be held earlier than:

(A) except as provided in clause (B), seven hundred (700) days after the date of the referendum; or

(B) three hundred fifty (350) days after the date of the referendum, if a petition that meets the requirements of subsection (b) is submitted to the county auditor.

(b) If a majority of the persons who voted in the referendum did not vote "yes" on the referendum question, a petition may be submitted to the county auditor to request that the limit under subsection (a)(2)(B) apply to the holding of a subsequent referendum by the school corporation. If such a petition is submitted to the county auditor and is signed by the lesser of:

(1) five hundred (500) persons who are either owners of property within the school corporation or registered voters residing within the corporation; or

(2) the sum of five percent (5%) of the first five thousand (5,000) registered voters residing within the school corporation, plus two and five-tenths percent (2.5%) of the number (if any) of the registered voters residing within the school corporation that exceeds the first five thousand (5,000) registered voters;

the limit under subsection (a)(2)(B) applies to the holding of a second referendum by the school corporation and the limit under subsection (a)(2)(A) does not apply to the holding of a second referendum by the school corporation.

SECTION 8. IC 20-46-7-8, AS AMENDED BY P.L.146-2008, SECTION 509, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) This section does not apply to the following:

(1) Bonds or lease rental agreements for which a school corporation:

(A) after June 30, 2008, makes a preliminary determination as described in IC 6-1.1-20-3.1 or IC 6-1.1-20-3.5 or a decision as described in IC 6-1.1-20-5; or

(B) in the case of bonds or lease rental agreements not subject to IC 6-1.1-20-3.1, IC 6-1.1-20-3.5, or IC 6-1.1-20-5, adopts a resolution or ordinance authorizing the bonds or lease rental agreement after June 30, 2008.

(2) Repayment from the debt service fund of loans made after



- 1 June 30, 2008, for the purchase of school buses under
 2 IC 20-27-4-5.
- 3 (b) A school corporation must file a petition requesting approval
 4 from the department of local government finance to:
- 5 (1) incur bond indebtedness;
 - 6 (2) enter into a lease rental agreement; or
 - 7 (3) repay from the debt service fund loans made for the purchase
 8 of school buses under IC 20-27-4-5;
- 9 not later than twenty-four (24) months after the first date of publication
 10 of notice of a preliminary determination under ~~IC 6-1.1-20-3.1(2)~~;
 11 **IC 6-1.1-20-3.1(b)(2)**, unless the school corporation demonstrates that
 12 a longer period is reasonable in light of the school corporation's facts
 13 and circumstances.
- 14 (c) A school corporation must obtain approval from the department
 15 of local government finance before the school corporation may:
- 16 (1) incur the indebtedness;
 - 17 (2) enter into the lease agreement; or
 - 18 (3) repay the school bus purchase loan.
- 19 (d) This restriction does not apply to property taxes that a school
 20 corporation levies to pay or fund bond or lease rental indebtedness
 21 created or incurred before July 1, 1974. In addition, this restriction does
 22 not apply to a lease agreement or a purchase agreement entered into
 23 between a school corporation and the Indiana bond bank for the lease
 24 or purchase of a school bus under IC 5-1.5-4-1(a)(5), if the lease
 25 agreement or purchase agreement conforms with the school
 26 corporation's ten (10) year school bus replacement plan approved by
 27 the department of local government finance under IC 21-2-11.5-3.1
 28 (before its repeal) or IC 20-46-5.
- 29 (e) This section does not apply to school bus purchase loans made
 30 by a school corporation that will be repaid solely from the general fund
 31 of the school corporation.

